

Rulemaking Hearing Rules  
of  
The Tennessee Department of Human Services  
Family Assistance Division

Chapter 1240-1-50  
Standard of Need/Income

Amendments

Rule 1240-1-50-.20 Standard Of Need/Income, is amended by deleting the Rule in its entirety and by substituting instead the following language so that, as amended, the rule shall read:

1240-1-50-.20 Standard Of Need/Income. The following table shows the maximum income level, consolidated standard of need, and the possible standard payment amounts and differential grant payment amounts (maximum payment per assistance group size) to be used in the Families First program to determine eligibility and amount of payment.

(1) Families First Cash Assistance Standards

- (a) Consolidated Need Standard (CNS). The Department has developed a consolidated standard of need based on size of the assistance group (AG), which indicates the amount of income the assistance group would need to meet subsistence living costs according to allowances set by the state for items including food, clothing, shelter and utilities, transportation, medical care, personal incidentals, and school supplies. The CNS is used as the basis for determining the gross income standard (GIS), the standard payment amount (SPA), and the Differential Grant Payment Amount (DGPA).
- (b) Gross Income Standard (GIS). This standard is set at One Hundred Eighty-Five Percent (185%) of the consolidated need standard. If the gross countable income of an assistance group exceeds this standard, the Assistance Group (AG) is not eligible for Families First.
- (c) Standard Payment Amount (SPA). Tennessee does not meet One Hundred Percent (100%) of need as defined by the consolidated need standard. Rather, a maximum payment by family size, dependent on available State and Federal funds is paid, except in the instances specified in 1240-1-50-.20(e).
- (d) Differential Grant Payment Amount (DGPA). A Families First Assistance Group which meets any one of the criteria for exemption from Time Limited Assistance as specified in 1240-1-51-.01(4)(a) through (d), will be eligible for a grant based on the Differential Grant Payment Amount (DGPA), which is a maximum payment by family size, dependent on funds available, except in the instances specified in subparagraph (e) below.
- (e) Family Benefit Cap
  - 1. No additional benefits will be issued due to the birth of a child when the birth occurs more than ten (10) calendar months after the later of:
    - (i) the date of application for Families First, or
    - (ii) the date of implementation of the Families First program (September 1, 1996), as provided by T.C.A. § 71-3-151, unless:

- (I) the child was conceived as the result of verified rape or incest;
  - (II) the child is the firstborn (including all children in the case of a multiple birth) of a minor included in the Families First grant who becomes a first-time minor parent;
  - (III) the child does not reside with his/her parent;
  - (IV) the child was conceived in a month the AG was not receiving Families First; or
  - (V) the child was already born prior to the later of the date of application for Families First or the date of implementation of Families First, and the child has entered or returned to the home.
2. The additional child will be included in the need standard for the purpose of determining Families First eligibility. The income of the child, including child support, will be applied against the need standard in determining the Families First payment amount for the family. The child will be considered a Families First recipient for all other purposes, including Medicaid/TennCare coverage.
3. The family benefit cap will not apply to a subsequent period of eligibility for families who reapply for Families First subsequent to receipt of cash assistance for an eighteen (18)-month eligibility period during which the child was born, as long as the reason for prior case closure was other than a failure to comply with work or child support enforcement requirements or other Personal Responsibility Plan provisions, and the parent/caretaker had cooperated with the Department as defined in departmental policies for the Families First program.
- (i) Departmental policies and rules with which the parent/caretaker must cooperate include, but are not limited to:
    - (I) Child support cooperation requirements, such as identifying the absent parent, meeting with child support enforcement staff, submitting a child for blood testing, and testifying in court if necessary;
    - (II) Carrying out and fulfilling Personal Responsibility Plan provisions and requirements; or
    - (III) Carrying out and fulfilling Work Plan provisions and requirements.
- (f) An assistance payment is determined as follows:
- 1. If the assistance group's net income (after allowable exclusions and deductions) equals or exceeds their consolidated need, the assistance group is not eligible.
  - 2. If the assistance group's net income is less than their consolidated need, the monthly grant amount is the smaller of a maximum payment amount by family size (SPA or DGPA, as appropriate) or the deficit if it is ten dollars (\$10) or more. If the deficit is one dollar (\$1) - nine dollars (\$9), the AG is eligible for Medicaid (TennCare) only, and is deemed to be a Families First recipient group.

In the case of an AG receiving Families First because one or both parents are unemployed, if the Principal Wage Earner (PWE) receives Unemployment

Compensation (UC), the UC benefit is deducted from the grant amount determined after deducting all other countable income from the CNS, to determine the actual amount of Families First payment for the AG.

3. The minimum monthly grant which can be paid is ten dollars (\$10).

(g) Families First Need/Payment Standards

1. Tables

TABLE I

Number of Persons in Assistance Group	1	2	3	4	5	6	7	8	9	10
Gross Income Standard	951	1358	1628	1713	2078	2105	2300	2329	2560	2586
Consolidated Need Standard	514	734	880	926	1123	1138	1243	1259	1384	1398
Maximum Payment (SPA)	95	142	185	226	264	305	345	386	425	467

Minimum Families First Payment is \$10 per Month for any Assistance Group

Number of Persons in Assistance Group	11	12	13	14	15	16	17	18	19	20
Gross Income Standard	2675	2753	2821	2882	2934	2984	3028	3064	3101	3130
Consolidated Need Standard	1446	1488	1525	1558	1586	1613	1637	1656	1676	1692
Maximum Payment (SPA)	508	549	589	630	670	711	750	790	831	871

Minimum Families First Payment is \$10 per Month for any Assistance Group

TABLE II

Number of Persons in Assistance Group	1	2	3	4	5	6	7	8	9	10
Gross Income Standard	951	1358	1628	1713	2078	2105	2300	2329	2560	2586
Consolidated Need Standard	514	734	880	926	1123	1138	1243	1259	1384	1398
Maximum Payment (DGPA)	140	192	232	242	291	305	345	386	425	467

Minimum Families First Payment is \$10 per Month for any Assistance Group

Number of Persons in Assistance Group	11	12	13	14	15	16	17	18	19	20
Gross Income Standard	2675	2753	2821	2882	2934	2984	3028	3064	3101	3130
Consolidated Need Standard	1446	1488	1525	1558	1586	1613	1637	1656	1676	1692
Maximum Payment (DGPA)	508	549	589	630	670	711	750	790	831	871

Minimum Families First Payment is \$10 per Month for any Assistance Group

2. The Families First standard payment amount (maximum payment) for an assistance group of three (3) persons represents 21.0% of the consolidated need for an assistance group of that size. The Families First maximum differential grant payment amount for an assistance group of three (3) persons represents 26.4% of the consolidated need for an assistance group of that size. The payments for groups composed of different numbers of recipients represent an upward or downward adjustment of the percentage in the preceding sentences which is necessary to maintain the payment at a level not more or less than that paid in fiscal year 2003-2004.
3. Standard for Families First Transitional Services
  - (i) Families First assistance groups and other low-income families may receive transitional services after the Families First case closes.
  - (ii) For purposes of this Part, "transitional services" is defined as services to assist the customer in attaining long-term self-sufficiency.
  - (iii) Transitional services will be provided subject to the continued availability of state and/or federal funding.
  - (iv) In order to receive these services, the assistance group's gross monthly income must meet a standard of need.
  - (v) The standard of need for transitional services under this Part is defined as Two Hundred Percent (200%) of the Federal poverty level for the assistance group family size. The standard of need for this Part does not apply to Transitional Child Care or Transitional Medicaid.

Authority: T.C.A. §§ 4-5-201 et seq.; 71-1-105; 71-3-151—71-3-165, 71-3-154(i); 71-3-155(e)-(g); Acts of 2004, Chapter 961, Section 10, Item 22; Senate Bill 3415/House Bill 3551 (2004); 42 U.S.C.A. §§ 601 et seq.; 45 C.F.R. § 233.20; and 42 U.S.C.A. § 1315.

Legal Contact or Party who will approve final copy:

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Signature of the agency officer or officers directly responsible for proposing and/or drafting these rules:

Paul Lefkowitz  
Paul Lefkowitz, Director, Families First Policy  
Tennessee Department of Human Services

Glenda Shearon  
Glenda Shearon, Assistant Commissioner  
Adult & Family Services  
Tennessee Department of Human Services

Virginia T. Lodge  
Virginia T. Lodge, Commissioner  
Tennessee Department of Human Services

I certify that this is an accurate and complete copy of rulemaking hearing rules, lawfully promulgated and adopted by the Department of Human Services on the 24<sup>th</sup> day of August, 2004.

Further, I certify that the provisions of T.C.A. § 4-5-222 have been fully complied with, that these rules are properly presented for filing, a notice of rulemaking hearing was filed in the Department of State on the 26<sup>th</sup> day of May, 2004 and such notice of rulemaking hearing having been published in the June 15, 2004 issue of the Tennessee Administrative Register, and such rulemaking hearing having been conducted pursuant thereto on the 20th day of July, 2004.

Phyllis A. Simpson  
Phyllis A. Simpson  
Assistant General Counsel  
Tennessee Department of Human Services

Subscribed and sworn to before me this the 24<sup>th</sup> day of August, 2004.  
[Signature]  
Notary Public

My commission expires on the 20<sup>th</sup> day of August, 2006.

All rulemaking hearing rules provided for herein have been examined by the Attorney General and Reporter of the State of Tennessee and are approved as to legality pursuant to the provisions of the Administrative Procedures Act, Tennessee Code Annotated, Title 4, Chapter 5.

Paul G. Summers  
Paul G. Summers  
Attorney General and Reporter

The rulemaking hearing rules set out herein were properly filed in the Department of State on the 21 day of Sept, 2004 and will become effective on the 5 day of Nov, 2004.

Riley C. Darrell  
Riley C. Darrell  
Secretary of State

By: [Signature]

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SECRETARY OF STATE